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DE RUEHTV #0715/01 0661014 ZNR UUUUU ZZH P 071014Z MAR 07 FM AMEMBASSY TEL AVIV TO RUEHC/SECSTATE WASHDC PRIORITY 9842 RHEHAAA/WHITE HOUSE WASHDC PRIORITY RHEHNSC/WHITE HOUSE NSC WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAHQA/HQ USAF WASHINGTON DC PRIORITY RUEADWD/DA WASHDC PRIORITY RUENAAA/CNO WASHINGTON DC PRIORITY RHEFDIA/DIA WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RUEHAD/AMEMBASSY ABU DHABI PRIORITY 1772 RUEHAS/AMEMBASSY ALGIERS PRIORITY 8523 RUEHAM/AMEMBASSY AMMAN PRIORITY 1688 RUEHAK/AMEMBASSY ANKARA PRIORITY 2583 RUEHLB/AMEMBASSY BEIRUT PRIORITY 1760 RUEHEG/AMEMBASSY CAIRO PRIORITY 9552 RUEHDM/AMEMBASSY DAMASCUS PRIORITY 2493 RUEHLO/AMEMBASSY LONDON PRIORITY 9415 RUEHFR/AMEMBASSY PARIS PRIORITY 9890 RUEHRB/AMEMBASSY RABAT PRIORITY 6505 RUEHRO/AMEMBASSY ROME PRIORITY 3899 RUEHRH/AMEMBASSY RIYADH PRIORITY 8779 RUEHTU/AMEMBASSY TUNIS PRIORITY 2998 RUCNDT/USMISSION USUN NEW YORK PRIORITY 4916 RUEHJM/AMCONSUL JERUSALEM PRIORITY 6150 RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY RHMFIUU/COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 000715

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXX
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CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

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E.O. 12958: N/A TAGS: <u>OPRC KMDR</u> <u>IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Iran

Key stories in the media:

The Jerusalem Post reported that Secretary of State Condoleezza Rice is expected back in Israel during the weekend of March 24, days after another planned meeting between Olmert and Abbas, and just before a key Arab League summit in Riyadh.

Ha'aretz reported that a senior Hamas official told the newspaper on Tuesday that if Israel agrees to persuade the international community not to boycott the new Palestinian unity government, the Palestinians "will offer a promise from Hamas and Fatah of a total cease-fire with Israel, including a complete halt to Qassam [rocket] fire and suicide bombings." Ha'aretz quoted Palestinian sources as saying that PA Chairman [President] Mahmoud Abbas plans to deliver this offer at his upcoming meeting with PM Ehud Olmert. Ha'aretz said that the meeting is tentatively scheduled for Sunday, though according to the Palestinians, the date has not yet been finalized. However, Ha'aretz wrote that the Hamas official warned that, if Israel presses for a continuation of the international boycott and refuses to work with the unity government, the existing partial cease-fire will be in danger. Leading media, however, said that Olmert plans to use the meeting to urge Abbas to ensure that the new government, which is currently being formed, accepts the Quartet's conditions: recognizing Israel, renouncing violence and honoring previous Israeli-Palestinian agreements. Ha'aretz quoted a government source as saying: "This will not be a scolding conversation, but a heart-to-heart talk in which Olmert will try to exploit the grace period that remains before the new PA government is established." Ha'aretz reported that Israel is also working to persuade the EU to continue the boycott should the unity government not meet the Quartet's conditions.

Over the past few days leading media reported that several US congressmen have called on the Bush administration to reconsider its plan to give USD 86 million to Abbas now that he has entered into a unity government with Hamas. The Jerusalem Post quoted State Department Spokesman Sean McCormack as saying that the administration has already been reconsidering the aid in light of

the recent deal. Ha'aretz and Israel Radio reported that the World Bank recommends that donor countries stop transferring aid funds via

Abbas's office, saying such means of bypassing the Hamas government have hurt PA economic reforms. The radio also said that the Bank criticized Israel for not transferring tax money it owes the PA.

Leading electronic media quoted Palestinian security officials as saying that IDF troops raided the Palestinian military headquarters in Ramallah early this morning and arrested 18 fugitives who had sought shelter there. Among those taken was Khalil Shilo, a member of the Al Aqsa Martyrs' Brigades. Shilo had been on the run for seven years, since the outbreak of the second Palestinian uprising in 2000. The IDF confirmed the raid and said that about 17 fugitives were arrested

All media cited press reports that Iranian general Ali Reza Askari, whom Arab and Iranian sources said the Mossad and the CIA had kidnapped on Turkish soil, actually defected to the US with his family. Ha'aretz named the international Arab newspaper Ash-Sharq Al-Awsat as the source for this information. The Jerusalem Post and Hatzofe cited an announcement by Iran that it is building a nuclear reactor without any foreign assistance.

The Jerusalem Post reported that the State Department singled out Iran in the 2006 human rights report it released on Tuesday. Ha'aretz published an AP report saying that the report assailed Egypt over its poor human rights record -- including torture of prisoners and detainees.

A senior State Department official was quoted as saying in a recent interview with The Jerusalem Post that the United States' recent moves toward Syria do not represent a new US diplomatic opening with the country.

Yediot reported that Russia is reviewing a Syrian request for state-of-the-art Sukhoi-30 war planes. The newspaper said that the aircraft can be compared to the most advanced American planes. Ha'aretz and Maariv cited the Russian newspaper Kommersant as saying that its military affairs correspondent, Ivan Safronov, who plunged to his death from his apartment building window on Friday, faced threats while reporting on a highly sensitive story that Russia planned to sell sophisticated missiles to Syria and Iran.

Ha'aretz printed a Reuters story that citing Iranian state

television as saying on Tuesday that Iranian President Mahmoud Ahmadinejad urged visiting Hamas leader Khaled Mashal to keep fighting Israel. Maariv quoted Mashal as saying that Hamas will never recognize Israel.

Major media reported that on Tuesday Egyptian FM Ahmed Ali Abu al-Gheit urged Israel to probe allegations that Israeli troops killed unarmed Egyptian prisoners captured during the Six-Day War in 1967. Media reported that Egypt might turn to the International Court of Justice in The Hague. "The Egyptian people and society are extremely angry, and we hope the issue will be tackled in a manner that understands and feels that Egyptian anger," he was quoted as saying after a meeting with FM Tzipi Livni in Brussels. Ha'aretz and Maariv wrote that Livni told Abu al-Gheit that the GOI regretted the fact that elements in Egypt were "making mistaken and misleading use of this film, without any proper checks and without any connection to reality, in order to sabotage relations between the countries." She pointed out that the documentary about the alleged episode did not claim that prisoners of war were indeed murdered, and asked her counterpart to act to calm the atmosphere in Egypt on this issue. Livni and Abu al-Gheit agreed that a copy of the film and its text would be transferred to the Egyptian Foreign Ministry. However, the Egyptian media continues to give the issue extensive coverage. Ha'aretz reported that on Tuesday Israel Broadcasting Authority (IBA) Director-General Mordechai Shklar and journalist Ran Adelist denied yesterday that the Israel TV documentary about the Shaked commando unit alleges that Egyptian prisoners of war were murdered. Shklar said in a statement that reports about the documentary in the Israeli press -- including in Ha'aretz, Yediot, and Maariv -- had relied on the Egyptian media. Shklar was quoted as saying that such publications had not bothered to watch the documentary before reporting about it. Yediot reported that members of the Egyptian opposition threatened to kill Israel's Ambassador in Cairo should he visit the Egyptian Parliament.

Yediot cited a travel advisory issued by the GOI's anti-terror headquarters ahead of the Passover holiday, which cites a serious global threat to Israelis.

The Jerusalem Post ran a feature about the key role of Iran's Revolutionary Guards' Quds Force in the Iranian quest for regional hegemony. Ha'aretz and The Jerusalem Post printed an AP wire report according to which Interpol will discuss next week whether to issue "red notices," or international wanted requests, calling for the arrest of nine former prominent Iranian officials sought in connection with Argentina's worst terrorist attack -- the 1994 bombing of a Jewish cultural center in Buenos Aires. Yediot reported that on Tuesday in Rome, Iranian Nobel Peace Prizewinner Shirin Ebadi said that Ahmadinejad's declarations about his will to wipe Israel off the map are not acceptable. Ebadi was quoted as saying that Israel has the right to exist alongside a Palestinian state.

All media reported on Tuesday's meeting between State Comptroller Micha Lindenstrauss and the Knesset's State Control Committee. Leading media reported quoted Lindenstrauss as saying that the criticism in his report on the management of the home front during last summer's Lebanon war will be "very sharp and liable to anger many." Lindenstrauss accused Olmert's office of either delaying the transfer of material necessary for compiling the report or not handing it over at all. The media reported that Olmert's associates accused the State Comptroller of spreading lies. The media reported that on Tuesday Lindenstrauss and MK Zvulun Orlev, the Chairman of the Knesset's State Control Committee, reached a compromise with the IDF and Attorney General Menachem Mazuz at the High Court of Justice.

Leading media reported that the Knesset's House Committee cannot garner a majority for impeaching Moshe Katsav, the President of Israel.

Leading media reported on courses at a dance school in New York offered to outstanding participants of "Born to Dance," a reality show produced by Keshet, a franchisee of Channel 2-TV.

Ha'aretz presented the results of The Aviv University's Peace Index poll conducted among Israelis on February 26-27:
-A decisive majority of Israelis believe that Iran's nuclear

armament constitutes an existential danger to Israel. However, only 48 percent of the public think that Israel should destroy Iran's nuclear facilities on its own.

-About 55 percent of the Jewish public believes that the establishment of the Palestinian national unity government reduces the chances of reaching a peace agreement and only 25 percent believe that its establishment will increase those chances.

Iran:

Summary:

Former Mossad director Ephraim Halevy wrote in the mass-circulation, pluralist Yediot Aharonot: "In case tangible cooperation between the US, Saudi Arabia, and Iran comes into being, the very intense question is coming up whether Israel is bracing itself for such an era."

Columnist Shaul Schiff wrote in the nationalist, Orthodox Hatzofe: "[Bill] Clinton deserves a harsh Israeli response, because this is about our very existence."

Block Quotes:

¶I. "Parallel-Line Policy"

Former Mossad director Ephraim Halevy wrote in the mass-circulation, pluralist Yediot Aharonot (3/7): "Iran and the US are currently conducting two parallel and apparently contradictory relationships [Also,] both the US and Saudi Arabia are conducting their Iran policy in parallel. Alongside the strengthening of its economic measures, the United States is solidifying its military presence in the Persian Gulf.... The series of meetings between Prince Bandar bin Sultan, King [Abdullah's] National Security Adviser, and Ari Larijani, Iran's nuclear negotiator, have brought forth the Iranian-Saudi summit meeting and perhaps also contributed to the -still temporary -- calm between the rival forces -- Nasrallah vs. Siniora -- on Lebanese soil. The higher tension around the threat embodied in Iran is rising, the more efforts are being made to harness it to a dialogue while endeavoring to produce a joint operational agenda. In case tangible cooperation between the US, Saudi Arabia, and Iran comes into being, the very intense question is coming up whether Israel is bracing itself for such an era."

II. "Ahmadinejad Salutes Clinton"

Columnist Shaul Schiff wrote in the nationalist, Orthodox Hatzofe (3/7): "Former US President Bill Clinton has recently called in a speech at Kansas [State] University not to attack Iran's nuclear installations before the diplomatic moves are exhausted. 'You need to talk to everybody before you bomb them,' [he said]. Saudi Arabia, the United States' ally and protege, welcomed the Iranian President with honor fit for kings -- not before it got the United States' approval and coordinated its steps with it... Ahmadinejad, who has repeatedly stated his intention to destroy Israel, does not feel lonely.... The US and European liberals -- headed by Clinton and his friends in the Democratic Party -- are acting according to the moral standards of the Western world. This is a twisted moral that brought Khomeini to power, with the generous help of former US President Jimmy Carter... Clinton deserves a harsh Israeli response, because this is about our very existence."

CRETZ